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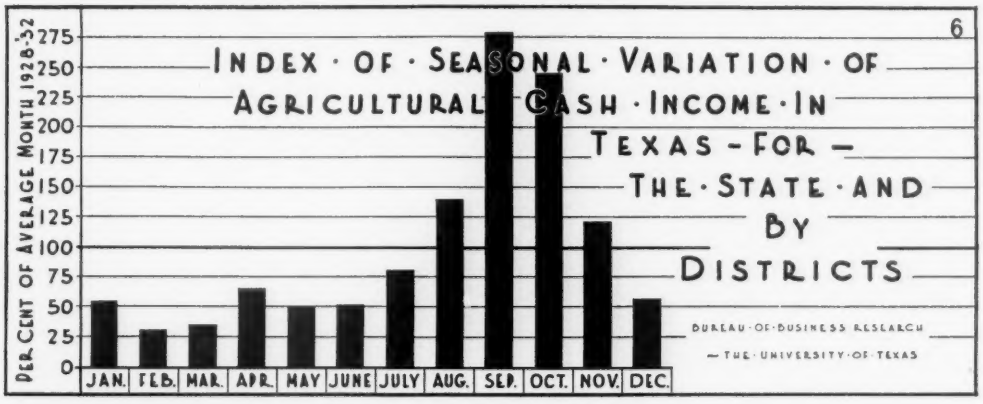
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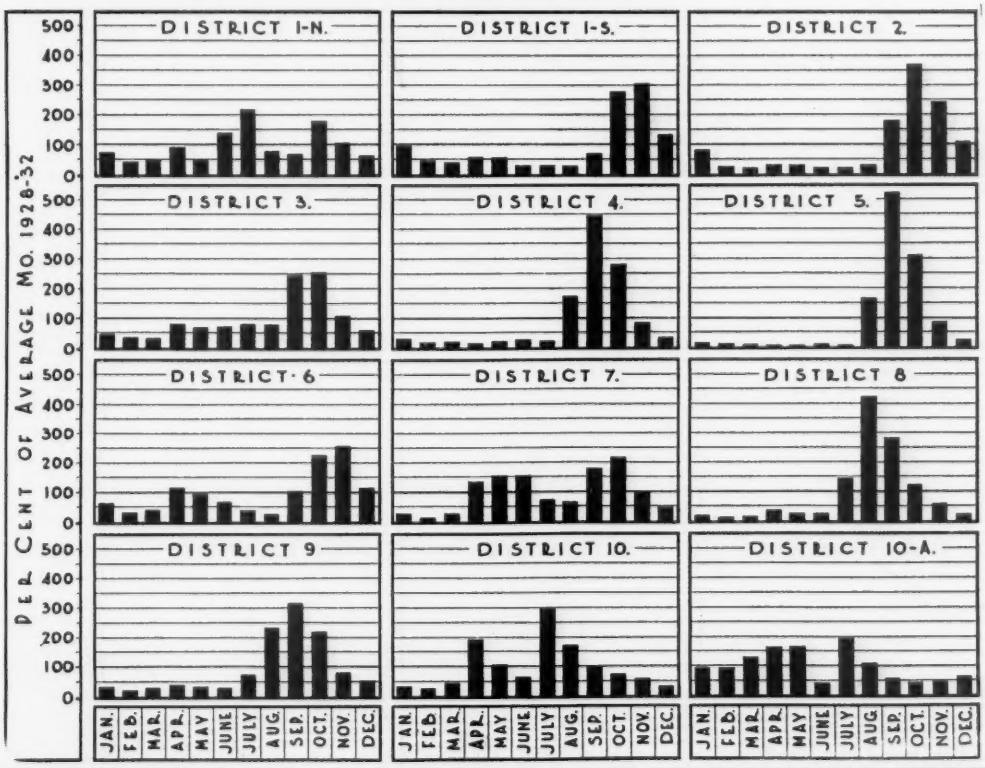

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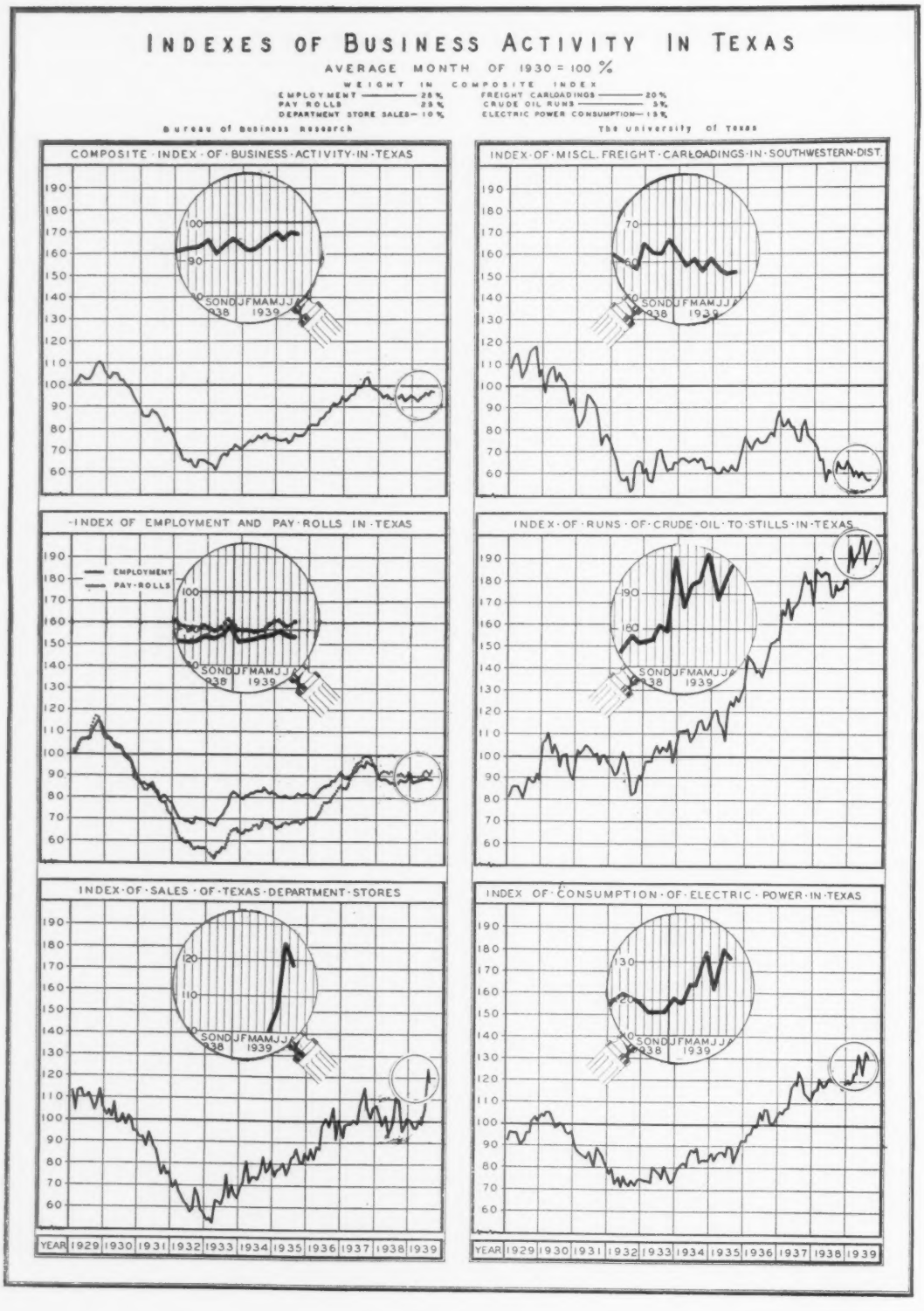
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EMPLOYMENT 28 %
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DEPARTMENT STORE SALES 10 %
FREIGHT CARLOADINGS 20 %
CRUDE OIL RUNS 5 %
ELECTRIC POWER CONSUMPTION 15 %
Bureau of Business Research
The University of Texas
COMPOSITE INDEX OF BUSINESS ACTIVITY IN TEXAS
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Business Review and Prospect

Industrial activity throughout the country has been increasing consistently since late spring, but it was not until the outbreak of war in Europe that the rise was sharp enough to attract popular attention. Incoming orders booked by practically all leading industries have reached such proportions during the past three weeks that further gains in business activity are assured for at least the early months of 1940. It is now believed that by the end of 1939 the industrial indexes will equal almost those of the early months of 1937, when business activity was at the highest point since 1929. Helping to accelerate the increase in orders was the abnormally low level of industrial inventories of raw materials and finished goods. When commodity prices rose sharply there was a rush to lay in additional supplies, thus adding more fuel to the flame of inflationary psychology.

Among the significant recent developments is the growing consciousness of fundamental, mutual interests, both broadly cultural and more narrowly economic, which exist among the nations of the Western Hemisphere. Blocking of trade lanes between Germany and Latin America, as well as the interference of trade between the other European belligerents and these countries, has virtually thrust upon the countries of the Western Hemisphere the necessity of working out new trade relationships of the first magnitude. Texas especially is destined to play a leading part in these developments. Whether the war in Europe proves to be short or long, a new economic era is in the making on this hemisphere.

Everyone seemed to have forgotten during the past three weeks about the existence of huge surpluses of cotton and foodstuffs, for the reduction of which the government has spent, and is still spending, millions of dollars; nor did they remember that during two weeks in August the major portion of the oil industry of the country ceased production in order to reduce a burdensome surplus of oil; and, moreover, an additional two weeks shut down was seriously considered to bring the supply in storage down to desired proportions. For a while during the early days of September the inflationary psychology became so intense that the nation's housewives crowded local groceries to capacity laying in large supplies of sugar, canned goods, and flour.

In spite of the hysterical buying which swept over the country and the consequent rapid increase in prices of agricultural raw materials, the net results on the agricultural economy of the nation have been decidedly beneficial. Farm prices have long been in need of a good stimulus, and at last one has come. It is probable that in some instances prices may have risen too fast and too far; but it is quite certain that in other cases, cotton for example, a further substantial increase in price would be helpful all around.

In an attempt to avoid speculative excesses, overextension of stocks, and over-production, manufacturers are limiting acceptance of orders to relatively close deliveries—particularly is this true of steel, metals, and textiles, the buying of which has been extremely active. And following the abrupt advance in price of raw materials, industrial leaders, too, have taken steps to hold prices at normal levels by reaffirming quotations for fourth quarter delivery on steel, rayon, paper, and chemicals. Automobile manufacturers are holding to their reduced price schedules on 1940 models.

Some Bases Making for Business Stability in Texas

In contrast with the industrial and commercial centers of the North and East, Texas business does not "blow hot, then cold"; it is seldom either "pure white" or "jet black" but generally a "light grey"; it is not, in a word, a "prince or pauper."

True to this tradition, Texas is not now in the state of feverish business excitement which already prevails in the sections mentioned. and where it promises to be intensified as the season advances.

The general reason for this relative stability in Texas industry and trade is quite obvious. The primary sources of income in the State are from industry, minerals, and agriculture. The principal industries of the State revolve about oil, chemicals, forest products, and processing of agricultural products.

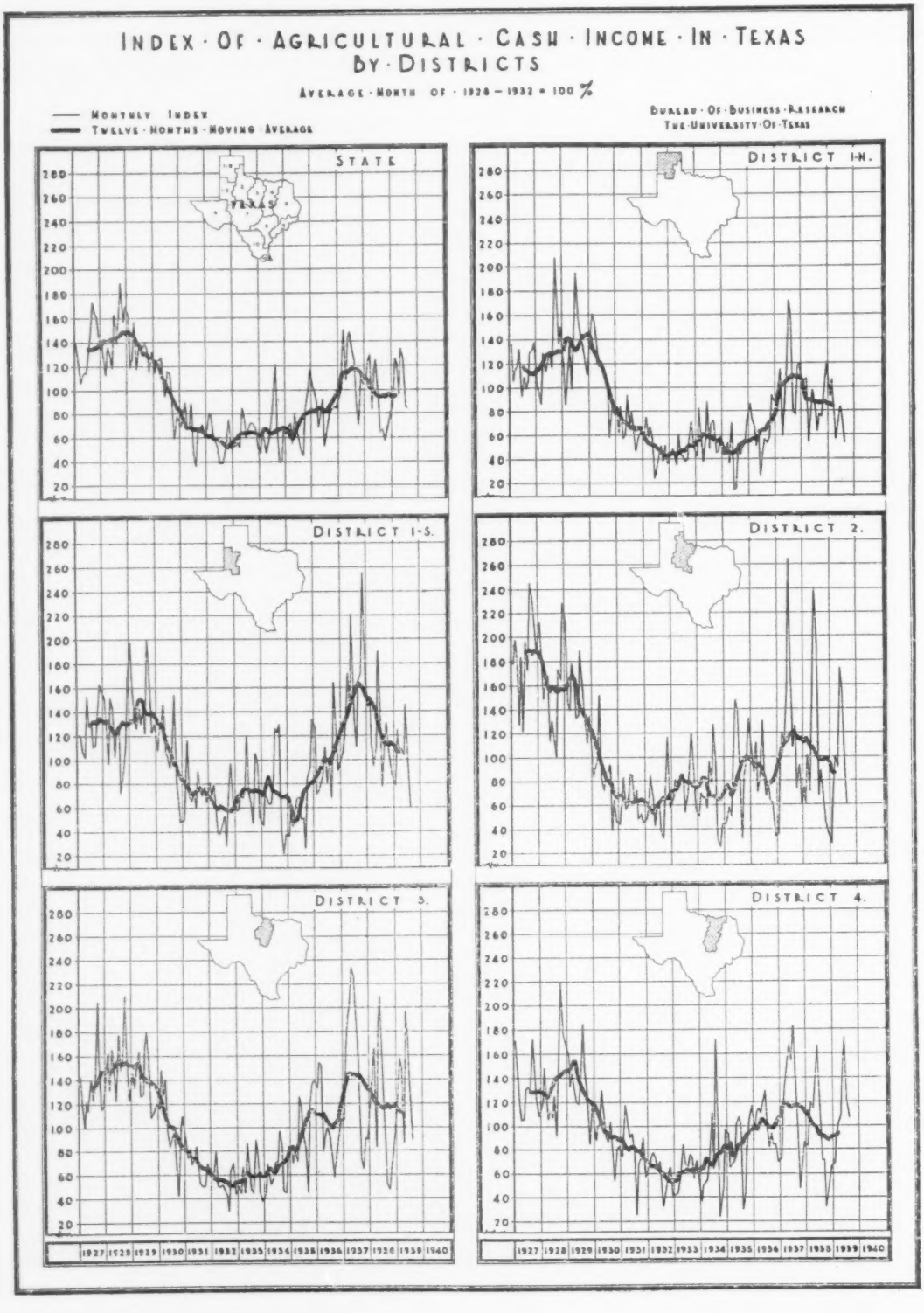
In the main, then, Texas industry is engaged in the production of non-durable consumer goods, rather than durable consumer goods and capital goods. Such products as gasoline, meats, flour, and scores of other processed commodities in Texas are necessities in the American pattern of living; in other words, the demand is relatively constant. Variations in the amounts of these products used per capita are less than for such classes of products, for example, as household utensils, automobiles, and the like, to say nothing of heavy capital goods. Hence, no wide cyclical swings occur in these industries as in capital goods industries, causing unemployment, reduced pay rolls, and larger relief rolls. It follows that in times of boom, the type of industry which is most prevalent in Texas does not make the sensational advance which characterizes industries engaged in the production of durable goods, but it helps to explain the relative stability of Texas industry and trade.

Around the primary industries already mentioned, there has developed a wide range of subsidiary industries and service occupations. The stability, already noted, of the primary industries in Texas is reflected in these secondary lines of activity, thus lending additional stability to retail and wholesale trade.

Raw materials produced in Texas are not only important because of their volume, but also because of their significance in modern industry.

Consider, for example, the oil and gas industry. Huge as is the consumption of oil in the United States, two out of every five barrels of it originates in Texas. All sections of the State are represented in its production. The known reserves of oil in Texas represent almost sixty per cent of the total in the United States. Under the proration system adopted by the principal oil producing states, increasing stability is being attained gradually in this industry. Comparatively few people, even in Texas, appreciate how much the oil producing industry (as distinguished from petroleum refining) con-

For Other Texas Data, See Statistical Tables at the End of This Publication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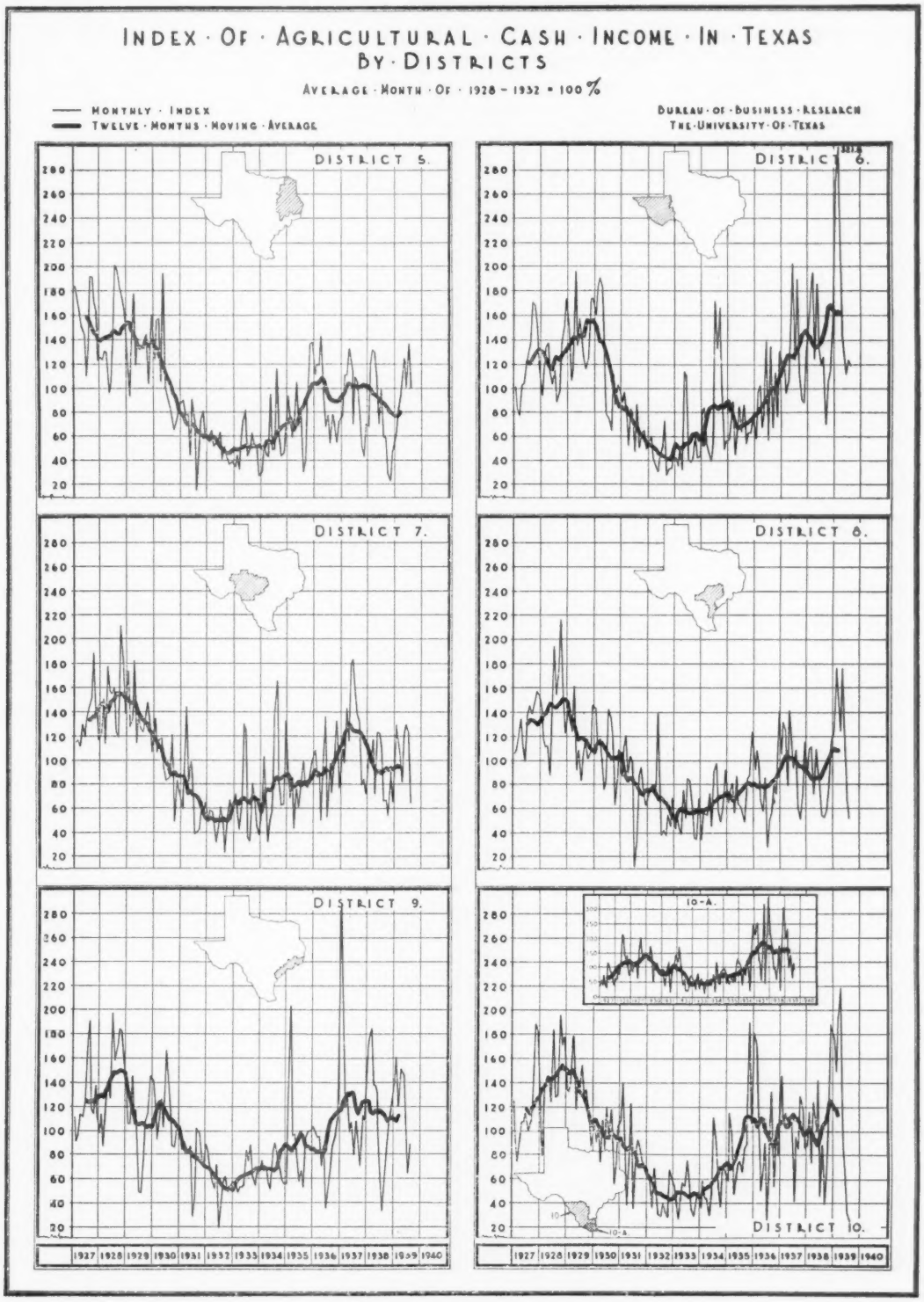
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tributes to the income of Texans, how widely this income is distributed, and how much it contributes to trade stability over large areas in all sections of the State.

In agriculture Texas is fortunate in having important incomes from a wide range of products. This fortunate condition, however, has not existed very far back in the State's agricultural history. For example, annual income from cotton during the past several years is only about one-third that of the late 20's; yet, during the entire depression period Texas has been a relatively bright spot on the National agricultural map. When the price of cotton dropped abruptly in 1914, it resulted in a condition of almost crisis in Texas. Today livestock and its products, dairy products, poultry, fruits, and vegetables, to mention only a few, have gone far and are rapidly going further in filling the gap in agricultural income left by the abrupt decline in the income from cotton. As a result of the wide range of agricultural products in Texas, the outbreak of war in Europe early this month had no such effect on the agricultural economy of Texas as it had twenty-five years ago.

Thus, from the nature of the sources of Texas income, the manufacture of consumers' goods and sale of huge volumes of essential raw materials, mineral and agricultural, we see why Texas industry and trade remain on a more even keel than that of strictly industrial or commercial areas, why business activity dipped only slightly here during the depression of 1937 and '38, and why we may now expect only a moderate upward trend during the remainder of the year, while other areas experience a violent upward surge.

Graphic Presentation of Texas Business Trends

Each month the Bureau of Business Research presents a graphic picture of Texas business trends since 1929 on the inside cover page of the Review. In the light of the foregoing discussion attention is called to the moderate dip in the chart during the fall of 1937 and the almost horizontal tendency of the monthly indexes during the past twenty months. The following table shows that no significant change has taken place in the composite index during the past month, although there has been a moderate improvement over a year ago.

INDEXES OF BUSINESS ACTIVITY IN TEXAS

	Aug. 1939	Aug. 1938	July 1939
Employment	88.34	86.30	88.37
Pay Rolls	92.08	90.44	90.06
Miscellaneous Freight Carloadings (Southwest District)	56.95	57.94	56.83
Crude Runs to Stills	198.38	178.74	194.18*
Department Store Sales	118.35	111.46	124.22
Electric Power Consumption	130.74	120.92	133.68*
COMPOSITE INDEX	97.86	93.99	98.16*

*Revised.

Another graphic representation of the relative stability of industrial activity in Texas as compared with the country at large is to be found on the outside cover page of the June, 1939, Texas Busiess Review. Indexes of weekly pay rolls are used as the common denominator for the purpose of making the comparison. It is probable that if the depression had been as prolonged after 1937 as it was after 1929, Texas industrial activity would ultimately have been pulled down as it was then; nevertheless, there is evidence that Texas industry possesses independent strength based largely on the wide range of its industries, the fundamental character of its raw materials, and the accessibility of its products to both land and water transportation.

Trends in Texas Agriculture

Recovery of income from Texas agriculture during the past six years has been far less pronounced than that from Texas industry and trade, although even in agriculture the improvement has been much greater than it has in many other important agricultural regions of the country. Moreover, the agricultural situation has been considerably ameliorated in recent years through direct government subsidies as well as by the reduction of mortgage burdens on farms through government sponsored farm credit agencies. During the crisis period in 1933 and 1934, the federal government aided in bringing about adjustments in the mortgage debt itself in thousands of special cases throughout the State and the entire country. Private agencies, such as insurance companies, also aided in this work.

Although agriculture as a whole has yet far to go before attaining the degree of prosperity to which its importance is entitled, the economic position of this industry in recent weeks has probably been approaching a position close to parity with that of the other major divisions of our National economy. A possible exception to this situation may be found in the specialized cotton growing areas of the Gulf Southwest, which have suffered from the disruption of our foreign cotton markets, and where adjustment to the new order of things is still far from complete.

Regional Aspects of Texas Agriculture

From the standpoint of the physical forces which influence agricultural production, the variation in Texas is almost as great as in the country as a whole. Thus, in going from the citrus area of the Rio Grande Valley to the wheat area of the Texas Panhandle, and from the forested area of East Texas to the semi-arid range lands in the Trans-Pecos, a traveller would see practically every type of agricultural product which he would encounter in going the length and breadth of the entire country.

A fact equally important is that within the State are combinations of natural forces causing distinctive and specialized agricultural areas; and that these "Natural Regions" have been made the basis for the division of the State into crop-reporting districts by the United States Department of Agriculture.

Accordingly in the statistical analysis of Texas agricultural production and marketing the data are brought together by crop-reporting districts and these are totalled to give the figures for the State. A system has been devised by this Bureau by which an accurate index of farm cash income is computed each month for each crop-reporting district, giving comparisons with the preceding month and the corresponding month the year before. These indexes for August are listed in the following table. There is also included in the table an estimate

INDEX OF AGRICULTURAL CASH INCOME IN TEXAS

Districts	Aug. 1939	July 1939	Aug. 1938	Cumulative Income Jan.–Aug. 1939	Jan.–Aug. 1938
				(000 Omitted)	
1–N	53.9	73.1	62.3	$ 21,845	$ 23,768
1–S	61.0	95.7	77.8	10,090	12,755
2	60.3	113.7	67.7	13,246	17,429
3	88.7	125.6	100.1	13,012	13,807
4	106.8	116.9	71.1	35,954	31,836
5	100.1	88.5	59.0	13,863	10,959
6	119.0	123.4	125.2	12,383	10,766
7	64.3	121.3	65.7	21,530	20,337
8	52.3	68.0	53.7	25,132	24,927
9	88.7	64.4	33.0	14,015	10,305
10	23.4	31.5	87.3	9,999	10,054
10–A	88.5	114.2	174.1	20,331	20,039
STATE	78.0	84.8	64.4	211,400	206,982

of actual farm cash income for the year to date by districts and for the entire State. Both the indexes and the year to date figures appear each month in this section of the REVIEW.

In order to give a degree of historical perspective to farm cash income in Texas as described above, a chart is prepared similar to the one contained in this issue of the REVIEW. This chart is extended every three to six months, thus bringing the picture up to date. Marked differences are to be noted in the course of farm cash income in the several crop reporting districts. In future issues of the REVIEW some of the reasons for these differences will be presented.

F. A. BUECHEL.

Current Manufacturing Developments in Texas

New developments in Texas in manufacturing during the first three-quarters of 1939 are represented by widely diverse types of industries. The greatest increases in number of new establishments for this period as well as in value of goods produced are represented by petroleum refining, metal processing, and building materials.

Among approximately 150 new industries reported to the Bureau of Business Research since the first of the year are nine new petroleum refineries; fifteen plants engaged in the manufacture of metal products, including oil well equipment, service equipment and sheet metal products; and a total of eight new manufacturers of air-conditioning equipment. Additional groups include twelve printing and publishing firms; eight bakeries and ten other plants manufacturing food products; fourteen establishments representing various kinds of household furnishings and twelve plants producing building materials.

According to the United States Census reports the number of manufacturing establishments in Texas increased from 4,191 in 1935 to 4,422 in 1937. These reports include only plants having an annual output of products valued at $5,000 or more and do not include hundreds of smaller plants scattered throughout the State and which manufacture largely for local distribution.

The total value of manufactured products for the United States amounted to $60,712,871,737 in 1937. Texas with products valued at $1,581,422,401 ranked 19th among the states in value of manufacturing for that year. Census classifications of plants by amount of income indicate a total of 104 plants in Texas each of which manufactured products valued at $1,000,000 or over during 1937.

The following figures are taken from the United States Bureau of the Census reports:

MANUFACTURING PLANTS IN TEXAS

Year	Number of Establishments	Average Number of Wage Earners	Value Added by Manufacture	Value of Products
1933	3,648	91,374	$237,307,351	$ 686,752,347
1935	4,191	104,792	306,711,000	1,072,566,000
1937*	4,422	129,501	439,854,447	1,581,422,401

*The 1937 Census of Manufacturers is the most recent Census report on Manufacturing.

Of the 36 cities included in the 1937 Bureau of Census list of principal manufacturing cities in Texas, the ten cities having the largest number of plants were as follows: Dallas, 562; Houston, 457; San Antonio, 290; Fort Worth, 220; El Paso, 115; Waco, 81; Austin, 74; Beaumont, 58; Galveston, 58; and Wichita Falls, 55. This group of cities producing goods valued at more than $450,000,000 during 1937, represents all sections of the State. They cover a wide variety of industries and suggest the possibilities of all parts of the State for greater industrial development.

An analysis of the 1937 Census report on manufacturing reveals that the most valuable single groups of manufacturing industries for the four largest cities in Texas were as follows: Dallas, meat packing products valued at $10,130,170; Fort Worth, printing and publishing with products valued at $5,196,192; San Antonio, also meat packing, with products valued at $9,595,928; Houston, machinery, with products valued at $29,148,749. Value of manufactured products for 1937 totaled: Houston, $146,145,451; Dallas, $140,626,858; Fort Worth, $110,013,332; and San Antonio, $38,484,638.

The same wide area distribution is illustrated by the next ranking ten cities arranged according to number of manufacturing plants. These were: Amarillo, 46 plants; Corpus Christi, 45; Texarkana, 40; Abilene, 36; Lubbock, 32; Port Arthur, 29; Tyler, 29; San Angelo, 28; Greenville, 26; Sherman, 25.

State records report 125 petroleum refineries now in operation in Texas. This number does not include the list of natural gasoline plants. Since the first of the year nine refineries established are as follows: Russel Oil Co., San Antonio; Phoenix Refining Co., Pettus; Hammond Exploration Co., Houston; Phoenix Refining Co., Houston; United Gas Pipeline Co., Agua Dulce; Belta Refining Co., Sullivan City; Nueces Refining Co., Clarkwood; Mid-Continent Gas Co., Corsicana; and Graham-Cosden Refining Co., Graham. Not included in this list are several plants which have changed names during the year. One of the largest expansions for plants already in operation is the building of a $1,000,000 alkylation plant of the Shell Oil Corporation at their Houston refinery. Trinity Oil Co. of Fort Worth reports the manufacture of oils and greases.

Processing metals, including sheet metal shops, machine shops, and the manufacture of oil well equipment comprise a group of industries established this year second in value only to oil refinery products. A partial list of such plants is as follows: Cook Manufacturing Co., oil well equipment, Dallas; May & Lofland Corp., steel fabrication plant, Dallas; C. C. Jones Sheet Metal Works, Dallas; Zum-Berge Manufacturing Co., underreamers for use in foundation work, Dallas; Edwin W. Smith Machine Works, Dallas; A. S. Foy Sheet Metal Works, Dallas; Peters Manufacturing corp., sheet metal, Dallas; Star Smelting and Refining Co., lead smelting, Houston; North Texas Iron Works, fabricated steel, Houston; Pavlu Manufacturing Co., sheet metal, Houston; Airline Valve and Machine Works, Houston; Wilson Foundry, Fort Worth; and the Barker Dairy Co., manufacturers of ice cream machinery at Denison.

The rapidly increasing demand for air-conditioning machinery has given rise to the establishment of numerous plants in Texas manufacturing equipment which is distributed throughout the Southwest. This group of plants includes manufacturers of attic fans, heating and ventilating systems, and refrigeration machinery. To the 38 plants already established before 1939, the following firms represent a partial list of those which have been added during the year: Texas Attic Fan Manufacturing Co., Houston; Velvet-Air Manufacturing Co., Houston; Clipper Manufacturing Co., Houston; J. W. Harrington Co., Houston; Minimax Manufacturing Co., Houston; Gar-Airco Engineering Co., Dallas; Universal Manufacturing Co., Dallas; Peerless of America, Inc., Dallas; and Panhandle Supply Co., Lubbock. Besides the plants which have been established specifically for the manufacture of air-conditioning and refrigeration units, many other firms manufacturing machinery and metal products now include air-cooling devices among their products.

Particularly significant in that they indicate greater potential outlets for certain of the State's abundant raw materials are some of the new plants established this year and others which have announced recent plant expansions. Such examples include the Bexar Asphalt Co., San Antonio; Julian C. Field, asphalt mixing plant, Denison; Consumers Lignite Co., Alba; Acme Concrete Pipe Co., Houston; Milwhite Co., clay products, Wellborn; Siesta Marble Tile Co., Houston; Reinforced Concrete Products Co., Houston; and the Feldspar Corp., clay grinding plant, Houston.

Building materials, household furnishings, and service equipment are represented in the list of plants established this year by a wide variety of industries. Firms mentioned here are listed to illustrate the types of industries included in this group and are not intended as a complete account. Among such firms are the Cleveland Veneer Co., Cleveland; Whitehurst Manufacturing Co., office equipment, Fort Worth; Southline Metal Products Co., Houston; Houston Trailer Coach Co., Houston; Edd Hyde Co., trailers, Fort Worth; Gulfspray Shower Doors, Houston; Kay Manufacturing Co., springs for bedding and furniture upholstering, Houston; Texas Radio Manufacturing Co., Fort Worth; Boldt Bag Co., Houston; Garm-A-Form Specialty Manufacturing Co., dry-cleaning equipment, Fort Worth; Woodcraft, Inc., Dallas; Oriental Transmission and Packing Co., Dallas; Craft Cabinet Shop, Dallas; Hulsey Cabinet Shop, Dallas; expansion of the Kroehler Mfg. Co., furniture, Dallas; and the Pollock Paper and Box Co., of Houston.

Campbell Taggart Associated Bakeries of Dallas; Velva Ice Cream Co., Houston; Casebolt Biscuit Co., Fort Worth, Bama Pie Co., Lubbock; and Redi-Rice Co., Houston, are some of the new plants processing foods.

New clothing establishments include Lou Peters Uniform Manufacturing Co., Dallas; Southern Garment Co., Dallas; Nardis Sportswear, Dallas; Cedar Crest Hats, Dallas; Delta Hat Co., Dallas; and the H. and S. Shoe Co. of Fort Worth.

The resumé of the year's industrial developments so far as contained in the foregoing paragraphs makes no attempt to name all the individual plants or groups of plants which have been put into operation since the first of 1939. Such plants, however, as the $6,000,000 newsprint plant of the Southland Mills near Lufkin, the $250,000 Kroehler Manufacturing Co. of Dallas manufacturing furniture, and approximately a dozen others, each of which represents an investment of $100,000 or more, indicate a steady, if uneven, increase in the State's industrial growth, the increasing attention given to the exploitation of natural resources, and the production of greater quantities of goods for national or even wider areas of distribution.

CLARA H. LEWIS.

Financial

The dismal realization that the major powers of Europe have determined to embark upon a suicidal struggle for mastery of the European continent, forces American business men to reappraise our economic and financial position carefully. Inevitable repercussions of the conflict will impinge upon American business, industry, agriculture, and finance. Precisely what the effect will be, probably no man can predict; surely, no wise man will attempt to. Our economic activity during the coming months and, possibly, for the next few years, will be conditioned, to a substantial extent, by numerous unpredictable forces over which our effective control may be questionable.

The comparatively sudden transition from a peacetime economy to a war-time economy, even for a neutral, may not be accomplished without the appearance of certain stresses and strains. Distortion in price relationships as groups of war commodities surge upward faster than non-war products; an increase in speculative activity accompanied by volatile fluctuations; labor disputes and wage mal-adjustments; changing industrial activity; expansion of productive capacity in industry and agriculture; and many other problems may rise to plague industrial, agricultural, and financial leaders.

Since September first, numerous articles have been written and published, retracing the war-time experiences of 1914–1918 in an attempt to estimate what the future may hold. Valuable as the lessons of history may be—and there is no intention here to minimize their importance—it is only prudent to realize that the

conditions surrounding the belligerent and neutral nations in 1939 are materially different, in many respects, than those conditions which prevailed in the summer of 1914. The effect of these differences has already been revealed in financial developments. In early August of 1914, the pound sterling soared to as high as $7.00; in September, 1939, it plummeted to below $4.00. Prior to, and immediately following the declaration of war in 1914, gold flowed from the United States to Europe in large amounts; in the present situation gold has continued to move toward the United States. In 1914, the New York Stock Exchange closed in the midst of a virtual panic decline of stock values; in 1939, it remained open in the midst of soaring stock values.

In brief, continuous, pragmatic changes, many of which have occurred unnoticed, have culminated in bringing about a new situation. We are confronted, not with a restaging of an old drama, but with a substantially new situation. Whatever conclusions are drawn from past experiences—and there may be many—must be modified by the extent to which prevailing conditioning factors have changed. Above all, spontaneous and emotional judgments are rash and extremely dangerous. In the following paragraphs a few significent factors of a financial nature will be considered, not with any intention to predict developments, but with a view to appraising the potentialities of the various factors.

On September 11th, the United States' gold stock amounted to $16,759,454,618. Of this amount approximately $6,000,000,000 was required reserve against outstanding note issue and member bank reserve balances, $1,800,000,000 is allocated to the Stabilization Fund, while the remainder is substantially available to support any necessary expansion of currency and credit occasioned by increased activity which war conditions might stimulate. It is sufficient to point out that a conservative estimate is that each dollar of unutilized gold is capable of supporting approximately five dollars of new bank credit. The probability that our gold stock will increase substantially in the near future is remote. The French and British are estimated to hold about $5,000,000,000 of gold, including earmarks, and over $2,000,000,000 of readily realizable American securities and bank balances. Assuming that the present neutrality law is repealed, and that purchases of war materials are made in this country, it is to be expected that the available balances will be consumed first, the gold holdings to be conserved as long as possible.

However, the banking system currently has potential credit supplies of such magnitude that a fantastic demand for credit accommodation by business men would be required before the unutilized gold referred to in the preceding paragraph would need to be drawn into use. Recent open market operations by the Federal Reserve Banks in an attempt to cushion the decline of United States Government bonds, raised the excess reserves of member banks to more than five billion dollars. Moreover, one should not overlook the fact that demand deposits in commercial banks have increased very greatly during the past five years and now closely approximate the 1929 level. An increase in the turnover of these deposits to a rate approximating the turnover of 1929 would support a greatly increased volume of business activity—even at a higher price level—than we have experienced since the beginning of the depression.

For a period of some months past, the uncertain course of business and the weakness of price levels, have combined to cause inventories to be maintained at a comparatively low level. Business men, now enjoying the anticipation of an increase in the volume of business, and fearing the prospect of rising prices of raw materials and other commodities, are expected to increase their stocks of goods. That this is already taking place is attested to by current statistical information which reveals several lines of industry favored with substantial orders. In addition, numerous inquiries by foreign concerns which formerly purchased their merchandise from Germany and England, point toward a substantially larger export trade for American industry. It is logical to believe that a first effect of this renewed buying activity would appear in an increase in the turnover of existing deposits, followed by an increase in commercial bank loans. American business men, however, need hold no doubts of the ability of the banking system to meet any legitimate demand imposed upon it for additional credit accommodation. Even an expansion of from five to ten billion dollars, which would surely be abnormal, would not exert any appreciable strain on the reserve position of the country's banks.

More deserving of serious consideration is the danger that a prosperity hysteria, fanned by the anticipation of war orders and fed by the virtually inexhaustible potential credit supplies, may get beyond the point of control. At this point, a distinction should be drawn between a high level of business activity on a sound basis, and a prosperity "boom" on a dangerous "war demand-speculative" foundation. The former is to be earnestly desired; the latter, while profitable temporarily, is fraught with so many dangerous possibilities that it should be prevented at any cost.

That government authorities are alert to the situation is evidenced by the implied threats of price control and anti-profiteering measures, and threatened intervention by such agencies as the Department of Justice, the S. E. C., and others. As long as the United States remains neutral, however, it is questionable how far the Administration will carry restrictive measures, and it is a moot point as to how successful such arbitrary measures might be. Much to be preferred is a restraint by business men from undertaking speculative activity and otherwise contributing to unreasonable price increases. *The Wall Street Journal* calls attention editorially to the initial commendable attempts of a few industrialists to prevent the establishment of unreasonable pricing. How long the desire for abnormally large profits can be restrained, however, is uncertain.

One means of controlling any serious inflationary development is available to the Administration in its power to tax. In view of the admitted inability of the Board of Governors of the Federal Reserve System to control an aggravated speculative situation, perhaps, in the power to tax lies the only means of control. A high level of industrial and business activity, but kept in check by the imposition of taxes severe enough to prevent overexpansion in industry, and gambling in securi-

ties and commodities, might well be more effective than some of the more arbitrary, rigid measures that have been suggested.

Furthermore, a substantial excess profits tax during such a period would have the equally important advantage of providing the Government with additional income to be used in reducing the enormous outstanding Federal debt. If there is any real truth in the principle of borrowing to spend during a prolonged period of depression, then it is certainly a meritorious—and an honest—policy to tax during a subsequent period of prosperity in order to reduce the accumulated indebtedness. Especially is this true when some considerable measure of the anticipated prosperity is built upon the dangerously unsound foundation generated by a potential second World War.

The outbreak of war has raised problems in connection with government finance as well as in the field of private finance, but of a somewhat different nature. Government bond prices turned sharply downward with the beginning of hostilities, being supported only by vigorous Federal Reserve action. The majority of long term issues suffered declines from their mid-summer high levels of as much as seven to eight points. The tremendous pressure on the market for "governments" is reflected in the fact that, during the first two weeks of September, purchases by the federal reserve banks amounted to approximately $400,000,000.

This break in prices probably marks the end of a period of high-grade bond inflation which has characterized the bond market for the past few years. The probability of a somewhat more active demand for bank credit by private borrowers, together with the greater attractiveness (perhaps, in some cases, illusory) of other forms of investment, will probably work to prevent a reversal of the recent movement. Consequently, it is not improbable that the nadir of interest rates on government borrowing has been passed. This is not written disparagingly of government issues, for it still may be a sound, conservative policy to continue to hold "governments" rather than plunge into the alternative speculative investments.

How government finance will be affected in the coming months is uncertain. On the one hand, a return to a high level of industrial and business activity, with an accompanying increase in employment, would tend to relieve the Government of substantial relief expenditures at the same time that the tax income mounts. Furthermore, it is unlikely that the Administration will be so prodigal in its reform and social expenditures as it has been in the immediate past. On the other hand, to maintain a state of prepared neutrality will entail very large military and naval expenditures. Whether the savings from the one group of developments will exceed the expenditures caused by the other, cannot be forecast. In any event, it seems beyond question that the soundest fiscal policy to observe is a "pay-as-you-go" policy. With a government debt already in excess of $40,000,000,000; with the cost of government borrowing increasing; with obvious weakness in the high-grade bond market; and confronted with a potentially dangerous private finance situation, any other fiscal policy seems to be indefensible except under the direst circumstances.

WATROUS H. IRONS.

Cotton Situation

The most important factor in the cotton situation is war, especially the one in Europe. The cotton situation now is so strikingly similar to what it was at the beginning of the World War in 1914, it would seem that some valuable indications might be found to enable one to more accurately chart the course of cotton in the months ahead.

The first parallel is the fact that the World War and this one started at the same season of the year, the beginning of cotton harvest. The world supply of cotton for 1914–15, including carryover and production for the year, was an all time high and was approximately 27,500,000 bales. The world supply of all cotton for 1939–40 is also at record levels, being about 51,200,000 bales.

The importance of cotton as a war material was recognized in 1914. Consumption of cotton and cotton linters for war uses was speeded up greatly in the World War, and the same uses are now demanding cotton. Did the increase in war uses cause a net increase in cotton consumption during the World War? What effect did the War have on world cotton production? What were the major causes of the rise in the dollar price of cotton after 1914? To what extent are the same conditions and forces operative now? The following figures throw light on these questions.

World consumption of all cotton in 1913–14, the last year prior to the World War, was, according to the New York Cotton Exchange, 22,684,000 bales; it declined to 20,078,000 bales in 1916–17, and to 16,841,000 bales in 1918–19. In other words, world consumption of cotton declined 25.7 per cent from the beginning to the close of the last war. Decline of consumption in European countries accounts for all of it, for consumption in the United States increased from 1914 through 1917.

World consumption of American cotton was also drastically curtailed. In 1913–14 the world consumed 13,748,000 bales of American cotton; 12,562,000 bales in 1916–17, the last year before the United States entered the war; and only 9,908,000 bales in 1918–19, or a decline of 27.9 per cent during the course of the war; whereas, consumption of foreign-grown cotton declined only 22.4 per cent. Will European countries be able to obtain and consume more cotton, especially from the United States, than during the World War?

Perhaps somewhat, but taking the world as a whole, the increases in war uses for cotton will probably not be enough to offset the decline in the peace time uses.

WORLD PRODUCTION

World wars greatly affect world production of cotton. World production in 1913–14 was 22,894,000 bales; it rose to 25,049,000 bales in 1914–15, due to the very

large crop in the United States; but declined to 19,003,000 bales in 1916–17, and to 18,729,000 bales in 1918–19. This represents a decline for 1913–14 to 1918–19 of 18.1 per cent. Production in the United States declined only 13.0 per cent from 1913–14 to 1918–19, whereas, production in foreign countries declined 26.4 per cent.

Declines in production in India, Egypt, and Russia account for most of the declines in foreign production during the World War. In 1913–14, these three countries alone accounted for 77.0 per cent of foreign cotton production. At the present time, these three countries account for less than sixty per cent of foreign production, and only India and Egypt are now seriously involved in the war.

The reduction in cotton production can be traced primarily to reduction in available man power for cotton farming, especially in belligerent countries. Shifts of man power to the army and war industries and to food production was the major cause of reduction of production of cotton. Food products such as wheat, meat, sugar were relatively much higher than cotton, and city wages were much more than could be earned on cotton farms during the last war.

Cotton Prices

In spite of the fact that cotton consumption fell off during the World War much more than production (the price of cotton went up to high levels in terms of cents per pound) the big rise did not occur until after June, 1917. In other words, all of the advance in the dollar price of cotton down to June, 1917, can be accounted for by the rise in the general price level due to inflation. The rise in prices after the United States entered the war was due largly to further rises in the general price level and to speculation. This statement is substantiated by the fact that in both 1917–18 and 1918–19, world production of cotton exceeded consumption by substantial amounts. In view of the supply and prospective demand situations, will cotton have to depend on inflation to cause a similar rise in prices as a result of this war?

World Cotton Situation in 1939

World cotton production for 1939–40 bids fair to be the third highest on record, or about 28,600,000 bales. If this is added to the world carryover of all cotton, it indicates an all-time high supply of cotton for this year of about 51,200,000 bales, which is nearly twice the supply indicated for 1914–15; even though the supply then was also at an all-time high due to the record crop in the United States. At the beginning of the war in 1914, the United States was producing about sixty per cent of world production, and is now producing about forty-two per cent of it, which means that foreign production nearly doubled from 1914 to 1939. A very large share of this increased production has taken place in countries not involved in the World War, or in this one so far. American cotton thus does not occupy as strategic position as in 1914.

Consumption of cotton in the United States increased from 1913 until we entered the war, but this was more than offset by decreases in the countries at war. Difficulties of exporting cotton to European countries may become even more pronounced in the months ahead than in the World War.

Cotton prices fell very drastically from about eleven cents for spots in New York on the declaration of war in 1914 to about 7.75 cents. The precipitation of this war has had very little effect on the price of cotton so far. On August 5, the average price of M. 7/8 inch cotton in the ten designated spot markets was 9.28 cents. It declined to 8.49 cents on September 2, the last day before war was declared, and recovered to 8.93 on September 9. The price of M. 7/8 inch spots in New Orleans closed at 8.84 September 2, the last market day prior to the declaration of war by England; and closed at 9.25 on September 5, the first day the market was open after the declaration; and by September 18, the price had declined to 9.00 cents.

There are two other factors in the present cotton situation which must be carefully evaluated. Each represents a new Federal policy towards cotton. The first is the fact that the United States Government has bartered nearly a million bales of cotton to nations at war in Europe. When the trades were made, it was on condition that the country receiving the cotton would hold it in store as a war reserve. Now that war is actually in progress, this cotton becomes available for immediate use. If these contracts are filled out of loan stocks, as was contemplated when the trades were made, it will interfere very materially with the marketing of this crop by farmers. Would it not be more just and wiser for the Government to fill these contracts out of this crop at current prices, rather than out of loan stocks; otherwise a large share of this crop may be forced into the loan?

The second new policy is that of the export subsidy of 1.5 cents per pound on exports of new lint cotton. The major purposes of the subsidy are to regain foreign markets and boost prices in the United States.

The subsidy is paid on all exports and not merely on cotton that would not otherwise be exported. Estimates based on world supply, demand, and relative prices indicated in June and July that the United States would export without a subsidy about 5,000,000 bales, and the most optimistic calculators figures the subsidy might increase that 500,000 bales. In this case, the Government would be paying the foreigner over $800 per bale for each extra bale taken. If the subsidy does not increase exports at all, then of course the subsidy becomes an outright gift. Why will the subsidy not likely cause large increases in American exports? Supplies of cotton outside the United States are uncontrolled, and when we subsidize our price down, prices of foreign cotton tend to fall to a normal competitive level and tend to nullify the incentive of the foreigners to buy more than normal proportions of our cotton. On May 5, e.g., Fair Sao Paulo cotton was thirty Liverpool points under M. Fair Staple cotton in Liverpool; July 28, thirty-five points under; August 4, forty points under; and September 1, forty-five points under.

The only way, then to increase exports by this method is to drive the foreigner out of production by forcing world prices down, which may be a slow, expensive process, and to stimulate world consumption through low prices.

True, prices of cotton in the United States have been raised relative to prices in export markets, but due in a large measure to the decline in the gold price abroad. On July 14, M. Fair Staple American cotton was worth 1.5 grains of gold per pound; on August 4, 1.46 grains; and on September 1, only 1.32 grains.

A. B. Cox.

COTTON BALANCE SHEET

Indicated supplies of cotton in the United States September 1 were 24,579,000 bales, compared with 22,614,000 bales last year and 19,780,000 bales two years ago. The world supply of American cotton for 1939–40 is about 26,500,000 bales. This is more than a two years' supply at the rate the world has consumed American cotton during the past four years.

Cotton afloat to Europe and in European ports September 1 was only 438,000 bales, compared with 1,162,000 bales September 1 last year. The net increase in the supply of American cotton this year over last is about 1,200,000 bales. At present supply levels an increase in supply of 1,200,000 bales normally causes a decrease in price of about 150 points, which would make the calculated index price for M. 7/8 New Orleans spots about 9.00 cents. When the price index and the spinners margin are both taken into account, the calculated price is 7.32 cents.

SPINNERS MARGIN

Spinners ratio margin based on the price of 32's twist yarn in Manchester and M. 7/8 inch American cotton in Liverpool averaged 176 during August, compared with 189 during August last year. The pence margin averaged 4.02d for August this year, as against 4.66d last year.

COTTON BALANCE SHEET FOR THE UNITED STATES AS OF SEPTEMBER 1

(In Thousands of Running Bales Except as Noted)

	Carryover Aug. 1	Imports to Sept. 1*	Government Estimate as of Sept. 1*	Total	Consumption to Sept. 1	Exports to Sept. 1	Total	Balance Sept. 1
1930–1931	4,530	6	14,340	18,876	353	366	719	18,157
1931–1932	6,369	7	15,685	22,061	425	211	636	21,425
1932–1933	9,682	7	11,310	20,999	404	452	856	20,143
1933–1934	8,176	12	12,414	20,602	589	531	1,120	19,482
1934–1935	7,746	11	9,252	17,009	419	253	672	16,337
1935–1936	7,138	8	11,489	18,635	408	241	649	17,986
1936–1937	5,397	13	11,121	16,531	574	182	756	15,775
1937–1938	4,498	8	16,098	20,604	604	220	824	19,780
1938–1939	11,533	18	11,825	23,376	201	561	762	22,614
1939–1940	13,033	13	12,380	25,426	628	219	847	24,579

*In 500-pound bales.
The cotton year begins August 1.

PURCHASES OF SAVINGS BONDS

	August, 1939		January 1 through August 31	
	Purchase Price	Maturity Value	Purchase Price	Maturity Value
Abilene	$ 20,475	$ 27,300	$ 150,132	$ 199,985
Beaumont	18,544	24,725	352,089	469,550
Big Spring	1,650	2,200	66,132	88,175
Dallas	148,950	198,600	1,865,100	2,486,800
Del Rio	2,100	2,800	5,757	7,675
Denison	5,381*	†	90,731*	†
Fort Worth	125,494	167,325	901,389	1,201,850
Galveston	60,075	80,100	305,119	406,825
Gladewater	638	850	68,609	91,100
Harlingen	7,275	9,700	51,807	69,075
Kenedy	1,200	1,600	7,144	9,525
Kilgore	5,081	6,775	89,439	119,250
Longview	25,163	32,425	192,996	259,875
McAllen	1,050	1,405	47,213	63,105
Palestine	7,144	9,525	114,975	153,299
Pampa	8,888	11,930	28,239	37,730
Paris	3,525	4,700	96,244	129,335
Plainview	4,950	6,600	54,620	72,825
Port Arthur	8,606	11,475	163,482	217,975
San Benito	3,000	4,000	18,957	25,275
Sherman	8,831	11,775	65,889	88,450
Temple	6,994*	†	62,627*	†
Tyler	11,606	15,475	211,987	282,648
Waco	46,331	61,775	374,005	498,675
Wichita Falls	39,938	53,250	324,314	432,415
TOTAL	$ 560,514	$ 746,310	$5,555,638	$7,411,417

*Not included in total.
†Not available.

COMMODITY PRICES

	Aug. 1939	Aug. 1938	July 1939
WHOLESALE PRICES:			
U. S. Bureau of Labor Statistics (1936 = 100)	75.0	78.1	75.4
The Annalist (1926 = 100)	75.6	79.9	76.7
FARM PRICES:			
U. S. Department of Agriculture (1910–14 = 100)	88.0*	92.0	89.0
U. S. Bureau of Labor Statistics (1926 = 100)	61.0	67.3	62.6
RETAIL PRICES:			
Food (U. S. Bureau of Labor Statistics, 1923–25 = 100)	75.1	78.4	76.5
Department Stores (Fairchild's Publications, Jan. 1931 = 100)	89.5	89.0	89.3

*Preliminary.

CEMENT

(In Thousands of Barrels)

	Aug. 1939	Aug. 1938	July 1939
Texas Plants—			
Production	485	390	667
Shipments	582	579	535
Stocks	723	838	820
United States—			
Production	12,369	11,007	12,644
Shipments	13,804	11,823	11,755
Stocks	20,926	22,470	22,366
Capacity Operated	56.6%	50.4%	57.9%

NOTE: From U.S. Department of Interior, Bureau of Mines.

EMPLOYMENT AND PAY ROLLS IN TEXAS

AUGUST, 1939

	Estimated Number of Workers Employed	Percentage Change from July 1939	Percentage Change from Aug. 1938	Estimated Amount of Weekly Pay Roll	Percentage Change from July 1939	Percentage Change from Aug. 1938
Manufacturing						
All Manufacturing Industries	127,980	+ 0.7	+ 1.9	$2,534,532	+ 5.9	+ 3.3
Food Products						
Baking	6,498	− 2.2	+ 1.2	147,346	+ 1.9	+ 3.4
Beverages, Carbonated	1,987	− 1.3	+ 2.0	35,569	− 0.4	+12.2
Confectionery	476	+11.0	−28.0	4,786	+10.7	−40.4
Flour Milling	1,549	− 6.2	+ 0.2	33,630	− 9.4	− 1.4
Ice Cream	530	− 2.4	− 3.6	10,771	+ 1.8	− 4.2
Meat Packing	3,677	− 2.6	− 7.8	97,651	− 4.9	− 4.1
Textiles						
Cotton Textile Mills	3,710	+ 2.6	+ 0.1	58,642	+ 7.0	+ 1.0
Men's Work Clothing	3,539	+ 2.6	+ 4.9	25,993	+ 1.6	− 6.6
Forest Products						
Furniture	2,026	+ 9.9	+26.1	35,442	+25.7	+40.5
Planing Mills	2,611	− 1.6	+21.4	38,790	+ 2.6	+13.5
Saw Mills	10,701	+ 0.7	+10.7	134,870	+ 1.2	+ 5.4
Paper Products	332	− 0.2	+14.5	4,879	+ 6.0	+18.2
Printing and Publishing						
Commercial Printing	2,026	− 0.5	+ 1.7	55,238	+ 1.9	+ 8.0
Newspaper Publishing	4,175	+ 1.0	+ 3.2	116,558	+ 0.6	+ 2.4
Chemical Products						
Cotton Oil Mills	1,192	+22.7	−23.3	15,704	+29.6	−25.2
Petroleum Refining	18,754	+ *	− 0.9	693,182	+ 6.1	− 1.0
Stone and Clay Products						
Brick and Tile	990	+ 4.8	+20.5	14,967	+ 8.8	+12.3
Cement	1,558	+ 2.0	− 4.4	25,593	+ 4.1	+11.5
Iron and Steel Products						
Foundries, Machine Shops	10,258	+ 1.8	− 3.2	306,567	+19.3	+12.8
Structural and Ornamental Iron	1,432	− 3.7	+28.4	28,551	− 5.2	+22.6

	Employment Percentage Change		Pay Rolls Percentage Change	
	July 1939 to Aug. 1939	Aug. 1938 to Aug. 1939	July 1939 to Aug. 1939	Aug. 1938 to Aug. 1939
Nonmanufacturing				
Crude Petroleum Production	†	− 2.7	+ 0.2	− 4.6
Quarrying	+ 1.3	− 6.4	+ 2.5	− 6.9
Public Utilities	+ 0.3	+ 1.9	+ 1.2	+ 4.3
Retail Trade	− 0.4	+ 6.8	− 1.1	+ 2.5
Wholesale Trade	− 0.8	− 0.9	− 0.8	− 2.0
Cotton Compresses	+21.0	−11.5	+24.3	−24.8
Dyeing and Cleaning	− 7.6	− 7.6	− 6.9	− 9.6
Hotels	− 1.9	− 6.9	− 2.7	− 9.5
Laundries	− 1.0	− 1.7	− 3.7	+ 1.6

	Employment Percentage Change		Pay Rolls Percentage Change	
	July 1939 to Aug. 1939	Aug. 1938 to Aug. 1939	July 1939 to Aug. 1939	Aug. 1938 to Aug. 1939
Cities				
Abilene	− 5.7	+ 3.0	− 1.7	+18.5
Amarillo	− 2.4	−12.4	+ 0.8	−13.9
Austin	− 0.5	− 4.5	− 0.9	− 2.2
Beaumont	− 9.4	− 9.9	+ 2.8	− 1.9
Dallas	− 2.0	+ 2.7	− 0.9	+ 1.4
El Paso	− 4.5	+ 0.2	− 4.8	− 2.1
Fort Worth	− 1.3	− 1.1	− 1.8	+ 0.2
Galveston	+ 0.2	−10.2	+ 7.6	− 5.1
Houston	+ 4.3	+ 5.3	+ 7.8	+ 9.4
Port Arthur	− *	+ 0.6	+ 5.2	+ 0.1
San Antonio	+ 1.7	+ 6.2	+ 1.1	+ 8.6
Sherman	− 0.6	− 2.1	− 1.5	− 6.6
Waco	+ 0.5	+ 9.6	− 0.8	− 0.7
Wichita Falls	− 2.1	−19.6	− 4.2	−15.3
STATE	− *	+ 2.5	+ 2.2	+ 1.8

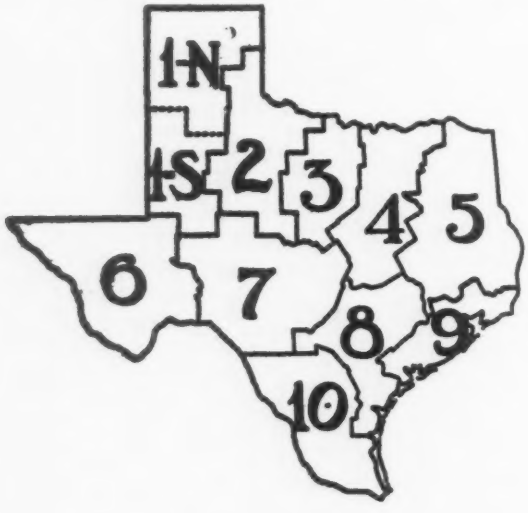
*Less than 1/20 of one per cent.

†No change.

Prepared from reports from representative Texas establishments to the Bureau of Business Research, coöperating with the United States Bureau of Labor Statistics.

AUGUST RETAIL SALES OF INDEPENDENT STORES IN TEXAS

	Total Number of Firms Reporting	Percentage Change in Dollar Sales Aug., 1939 from Aug., 1938	Aug., 1939 from July, 1939
TOTAL TEXAS	1,114	+ 1.8	+ 5.3
TEXAS STORES GROUPED BY PRODUCING AREAS:			
DISTRICT 1-N	70	+ 7.7	−10.2
Amarillo	11	+10.9	+ 1.5
Canyon	5	−12.7	−10.3
Pampa	13	+ 4.3	−17.0
Plainview	14	+ 4.1	+ 2.7
All Others	27	+15.4	−19.0
DISTRICT 1-S	16	− 0.1	+ 1.2
Lubbock	9	−10.0	− 3.9
All Others	7	+25.0	+12.0
DISTRICT 2	96	− 8.5	− 3.9
Abilene	14	− 5.3	+ 0.3
Vernon	7	−14.9	−11.1
Wichita Falls	11	−10.7	+ 6.3
All Others	64	− 8.3	− 8.4
DISTRICT 3	35	− 6.0	− 1.0
Brownwood	7	+ 7.6	+16.4
Eastland	5	− 9.1	−18.0
All Others	23	− 9.0	− 2.7



	Total Number of Firms Reporting	Percentage Change in Dollar Sales Aug., 1939 from Aug., 1938	Aug., 1939 from July, 1939
DISTRICT 4	274	+ 2.0	+ 8.6
Cleburne	7	+ 0.4	− 6.8
Commerce	5	+ 7.7	−16.9
Corsicana	7	− 6.0	− 9.3
Dallas	49	+ 0.1	+18.0
Denison	8	+13.5	− 8.8
Ennis	7	+18.6	+20.9
Fort Worth	48	+ 0.7	+ 9.0
Taylor	5	+63.2	−11.3
Temple	10	+ 8.5	− 0.2
Waco	31	+ 2.9	+ 9.1
All Others	91	+ 6.7	−11.7
DISTRICT 5	115	+ 0.8	− 4.6
Bryan	10	+ 6.7	+ 3.8
Henderson	6	+24.4	−12.6
Longview	12	− 9.7	+ 2.8
Marshall	10	− 3.4	− 2.5
Nacogdoches	5	+21.8	− 5.6
Tyler	14	− 9.0	−10.4
All Others	58	+13.3	− 3.6
DISTRICT 6	33	− 0.7	− 1.7
El Paso	21	− 0.1	− 1.2
All Others	12	− 9.0	− 8.8
DISTRICT 7	58	− 5.2	− 3.6
Brady	8	−19.6	− 3.3
San Angelo	12	− 1.5	− 9.3
All Others	38	− 5.3	+ 3.9
DISTRICT 8	199	+ 2.3	+10.5
Austin	22	+13.5	+11.4
Corpus Christi	14	+24.3	+15.6
Cuero	6	−10.6	−10.8
Lockhart	7	− 0.2	−15.8
San Antonio	64	− 1.4	+16.7
San Marcos	7	−18.2	+ 2.7
All Others	79	− 4.2	− 2.3
DISTRICT 9	157	+ 2.2	+10.3
Bay City	5	+14.5	+ 2.0
Beaumont	17	−11.5	− 2.0
Galveston	17	+ 0.5	− 3.5
Houston	57	+ 4.3	+14.1
Port Arthur	16	+12.2	+24.0
Victoria	8	− 7.4	+10.6
All Others	37	− 7.2	− 1.0
DISTRICT 10	61	+ 4.2	− 0.2
Brownsville	11	+12.4	+10.2
Harlingen	11	+12.0	+ 9.0
Laredo	5	+30.1	−11.5
All Others	34	− 8.5	− 5.8

NOTE: Prepared from reports from independent retail stores to the Bureau of Business Research, coöperating with the United States Department of Commerce.

AUGUST RETAIL SALES OF INDEPENDENT STORES IN TEXAS

	August 1939				Year 1939		
	Number of Firms Reporting	Dollar Sales	Percentage Change in Dollar Sales from Aug. 1938	Percentage Change in Dollar Sales from July 1939	Number of Firms Reporting	Dollar Sales	Percentage Change in Dollar Sales from Year 1938
TEXAS	1,114	$12,988,150	+ 1.8	+ 5.3	1,004	$97,860,085	+ 3.7
STORES GROUPED BY LINE OF GOODS CARRIED:							
APPAREL	120	1,557,851	+ 2.8	+17.1	109	12,897,780	+ 1.5
Family Clothing Stores	27	1,632,282	+ 2.9	−10.9	24	1,307,691	+ 1.2
Men's and Boys' Clothing Stores	44	513,266	+ 1.6	− 2.6	41	4,535,758	+ 1.7
Shoe Stores	18	53,286	− 3.1	− 4.6	15	493,389	+ 1.8
Women's Specialty Shops	31	828,017	+ 4.0	+46.9	29	6,560,942	+ 1.5
AUTOMOTIVE	130	3,021,114	+ 8.1	−12.8	115	22,303,656	+12.8
Filling Stations	40	141,253	− 4.1	−11.4	37	1,007,790	− 4.1
Motor Vehicle Dealers	90	2,879,861	+ 8.8	−12.9	78	21,295,866	+13.8
COUNTRY GENERAL AND FARMERS' SUPPLIES	96	452,902	− 5.1	− 3.8	90	3,646,834	− 5.4
DEPARTMENT STORES	59	3,756,993	+ 0.2	+20.5	56	30,291,724	+ 1.1
DRUG STORES	135	415,366	− 4.1	− 1.0	108	2,632,751	− 0.3
DRY GOODS AND GENERAL MERCHANDISE	14	56,328	+ 3.7	− 2.6	9	193,848	+ 7.4
FLORISTS	27	27,653	− 2.2	− 1.8	25	309,622	+ 4.5
FOOD	153	835,608	− 3.2	− 2.3	148	6,203,099	− 4.4
Grocery Stores	41	173,008	− 1.3	− 3.2	38	1,279,634	− 1.4
Grocery and Meat Stores	112	662,600	− 3.7	− 2.1	110	4,923,465	− 5.1
FURNITURE AND HOUSEHOLD	48	682,228	+ 2.9	+14.0	43	4,583,986	+ 1.9
Furniture Stores	43	647,580	+ 5.6	+15.3	33	4,251,876	+ 3.3
Radio Stores	5	34,648	−30.7	− 5.0	5	332,110	−13.6
JEWELRY	42	127,576	+ 8.5	+13.8	38	934,270	− 0.4
LUMBER, BUILDING, AND HARDWARE	246	1,820,824	+ 0.2	+ 7.3	225	12,623,383	+ 6.5
Farm Implement Dealers	12	48,404	− 5.8	−24.2	10	404,349	− 2.3
Hardware Stores	76	397,760	+ 2.3	+ 5.3	68	2,822,492	− 0.2
Lumber and Building Material Dealers	158	1,374,660	− 0.2	+ 9.5	147	9,396,542	+ 9.2
RESTAURANTS	19	67,994	+ 1.2	+ 1.5	17	427,644	− 2.9
ALL OTHER STORES	25	165,714	− 6.5	+43.5	21	811,488	+ 9.2
TEXAS STORES GROUPED ACCORDING TO POPULATION OF CITY:							
All Stores in Cities of—							
OVER 100,000 POPULATION	239	6,595,114	+ 1.1	+12.6	219	51,753,110	+ 4.7
50,000–100,000 POPULATION	103	1,481,276	+ 4.3	+ 7.9	93	10,656,000	+ 3.2
2,500–50,000 POPULATION	472	3,479,306	+ 1.9	− 4.3	420	25,322,796	+12.8
LESS THAN 2,500 POPULATION	300	1,432,454	+ 2.5	− 2.7	272	10,128,179	− 0.1

NOTE: Prepared from reports from independent retail stores to the Bureau of Business Research, cooperating with the United States Department of Commerce.

AUGUST CARLOAD MOVEMENT OF POULTRY AND EGGS

Shipments from Texas Stations

Destination*	Cars of Poultry: Live Chickens		Live Turkeys		Dressed Chickens		Dressed Turkeys		Cars of Eggs†	
	Aug. 1939	Aug. 1938	Aug. 1939	Aug. 1938	Aug. 1939	Aug. 1938	Aug. 1939	Aug. 1938	Aug. 1939	Aug. 1938
TOTAL	2	....	....	....	11	19	1	....	29.5	48.3
Intrastate	....	....	....	....	....	....	....	....	14.0	16.5
Interstate	2	....	....	....	11	19	1	....	15.5	31.8
Origin	Receipts at Texas Stations									
TOTAL	....	....	....	....	1	....	....	....	14.5	29.5
Intrastate	....	....	....	....	1	....	....	....	13.5	26.0
Interstate	....	....	....	....	....	....	....	....	1.0	3.5

*The destination above is the first destination as shown by the original waybill. Changes in destination brought about by diversion orders are not shown.

†Powdered eggs and canned frozen eggs are converted to a shell egg equivalent.

NOTE: These data are furnished the United States Department of Agriculture by railroad officials through agents at all stations which originate and receive carload shipments of poultry and eggs. The data are compiled by the Bureau of Business Research.

TEXAS CHARTERS

	Aug. 1939	Aug. 1938	July 1939
Domestic Corporations—			
Capitalization‖	$1,278	$3,621	$1,411
Number	105	92	104
Classification of new corporations:			
Banking-Finance	....	1	7
Manufacturing	20	20	13
Merchandising	30	24	28
Oil	17	19	23
Public Service	....	1	....
Real Estate-Building	16	7	10
Transportation	4	3	2
All Others	18	16	21
Number capitalized at less than $5,000	51	42	54
Number capitalized at $100,000 or more	2	3	5
Foreign Corporations (Number)	12	16	29

‖In thousands.

NOTE: Compiled from records of the Secretary of State.

AUGUST RETAIL SALES OF INDEPENDENT STORES IN TEXAS

	Total Number of Firms Reporting	Percentage Change in Dollar Sales Aug., 1939 from Aug., 1938	Aug., 1939 from July, 1939
TOTAL TEXAS	1,114	+ 1.8	+ 5.3
TEXAS STORES GROUPED BY PRODUCING AREAS:			
DISTRICT 1-N	70	+ 7.7	−10.2
Amarillo	11	+10.9	+ 1.5
Canyon	5	−12.7	−10.3
Pampa	13	+ 4.3	−17.0
Plainview	14	+ 4.1	+ 2.7
All Others	27	+15.4	−19.0
DISTRICT 1-S	16	− 0.1	+ 1.2
Lubbock	9	−10.0	− 3.9
All Others	7	+25.0	+12.0
DISTRICT 2	96	− 8.5	− 3.9
Abilene	14	− 5.3	+ 0.3
Vernon	7	−14.9	−11.1
Wichita Falls	11	−10.7	+ 6.3
All Others	64	− 8.3	− 8.4
DISTRICT 3	35	− 6.0	− 1.0
Brownwood	7	+ 7.6	+16.4
Eastland	5	− 9.1	−18.0
All Others	23	− 9.0	− 2.7

	Total Number of Firms Reporting	Percentage Change in Dollar Sales Aug., 1939 from Aug., 1938	Aug., 1939 from July, 1939
DISTRICT 4	274	+ 2.0	+ 8.6
Cleburne	7	+ 0.4	− 6.8
Commerce	5	+ 7.7	−16.9
Corsicana	7	− 6.0	− 9.3
Dallas	49	+ 0.1	+18.0
Denison	8	+13.5	− 8.8
Ennis	7	+18.6	+20.9
Fort Worth	48	+ 0.7	+ 9.0
Taylor	5	+63.2	−11.3
Temple	10	+ 8.5	− 0.2
Waco	31	+ 2.9	+ 9.1
All Others	91	+ 6.7	−11.7
DISTRICT 5	115	+ 0.8	− 4.6
Bryan	10	+ 6.7	+ 3.8
Henderson	6	+24.4	−12.6
Longview	12	− 9.7	+ 2.8
Marshall	10	− 3.4	− 2.5
Nacogdoches	5	+21.8	− 5.6
Tyler	14	− 9.0	−10.4
All Others	58	+13.3	− 3.6
DISTRICT 6	33	− 0.7	− 1.7
El Paso	21	− 0.1	− 1.2
All Others	12	− 9.0	− 8.8
DISTRICT 7	58	− 5.2	− 3.6
Brady	8	−19.6	− 3.3
San Angelo	12	− 1.5	− 9.3
All Others	38	− 5.3	+ 3.9
DISTRICT 8	199	+ 2.3	+10.5
Austin	22	+13.5	+11.4
Corpus Christi	14	+24.3	+15.6
Cuero	6	−10.6	−10.8
Lockhart	7	− 0.2	−15.8
San Antonio	64	− 1.4	+16.7
San Marcos	7	−18.2	+ 2.7
All Others	79	− 4.2	− 2.3
DISTRICT 9	157	+ 2.2	+10.3
Bay City	5	+14.5	+ 2.0
Beaumont	17	−11.5	− 2.0
Galveston	17	+ 0.5	− 3.5
Houston	57	+ 4.3	+14.1
Port Arthur	16	+12.2	+24.0
Victoria	8	− 7.4	+10.6
All Others	37	− 7.2	− 1.0
DISTRICT 10	61	+ 4.2	− 0.2
Brownsville	11	+12.4	+10.2
Harlingen	11	+12.0	+ 9.0
Laredo	5	+30.1	−11.5
All Others	34	− 8.5	− 5.8

NOTE: Prepared from reports from independent retail stores to the Bureau of Business Research, coöperating with the United States Department of Commerce.

AUGUST RETAIL SALES OF INDEPENDENT STORES IN TEXAS

	August 1939				Year 1939		
	Number of Firms Reporting	Dollar Sales	Percentage Change in Dollar Sales from Aug. 1938	Percentage Change in Dollar Sales from July 1939	Number of Firms Reporting	Dollar Sales	Percentage Change in Dollar Sales from Year 1938
TEXAS	1,114	$12,988,150	+ 1.8	+ 5.3	1,004	$97,860,085	+ 3.7
STORES GROUPED BY LINE OF GOODS CARRIED:							
APPAREL	120	1,557,851	+ 2.8	+17.1	109	12,897,780	+ 1.5
Family Clothing Stores	27	1,632,282	+ 2.9	−10.9	24	1,307,691	+ 1.2
Men's and Boys' Clothing Stores	44	513,266	+ 1.6	− 2.6	41	4,535,758	+ 1.7
Shoe Stores	18	53,286	− 3.1	− 4.6	15	493,389	+ 1.8
Women's Specialty Shops	31	828,017	+ 4.0	+46.9	29	6,560,942	+ 1.5
AUTOMOTIVE	130	3,021,114	+ 8.1	−12.8	115	22,303,656	+12.8
Filling Stations	40	141,253	− 4.1	−11.4	37	1,007,790	− 4.1
Motor Vehicle Dealers	90	2,879,861	+ 8.8	−12.9	78	21,295,866	+13.8
COUNTRY GENERAL AND FARMERS' SUPPLIES	96	452,902	− 5.1	− 3.8	90	3,646,834	− 5.4
DEPARTMENT STORES	59	3,756,993	+ 0.2	+20.5	56	30,291,724	+ 1.1
DRUG STORES	135	415,366	− 4.1	− 1.0	108	2,632,751	− 0.3
DRY GOODS AND GENERAL MERCHANDISE	14	56,328	+ 3.7	− 2.6	9	193,848	+ 7.4
FLORISTS	27	27,653	− 2.2	− 1.8	25	309,622	+ 4.5
FOOD	153	835,608	− 3.2	− 2.3	148	6,203,099	− 4.4
Grocery Stores	41	173,008	− 1.3	− 3.2	38	1,279,634	− 1.4
Grocery and Meat Stores	112	662,600	− 3.7	− 2.1	110	4,923,465	− 5.1
FURNITURE AND HOUSEHOLD	48	682,228	+ 2.9	+14.0	43	4,583,986	+ 1.9
Furniture Stores	43	647,580	+ 5.6	+15.3	33	4,251,876	+ 3.3
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Farm Implement Dealers	12	48,404	− 5.8	−24.2	10	404,349	− 2.3
Hardware Stores	76	397,760	+ 2.3	+ 5.3	68	2,822,492	− 0.2
Lumber and Building Material Dealers	158	1,374,660	− 0.2	+ 9.5	147	9,396,542	+ 9.2
RESTAURANTS	19	67,994	+ 1.2	+ 1.5	17	427,644	− 2.9
ALL OTHER STORES	25	165,714	− 6.5	+43.5	21	811,488	+ 9.2
TEXAS STORES GROUPED ACCORDING TO POPULATION OF CITY:							
All Stores in Cities of—							
OVER 100,000 POPULATION	239	6,595,114	+ 1.1	+12.6	219	51,753,110	+ 4.7
50,000–100,000 POPULATION	103	1,481,276	+ 4.3	+ 7.9	93	10,656,000	+ 3.2
2,500–50,000 POPULATION	472	3,479,306	+ 1.9	− 4.3	420	25,322,796	+12.8
LESS THAN 2,500 POPULATION	300	1,432,454	+ 2.5	− 2.7	272	10,128,179	− 0.1

Note: Prepared from reports from independent retail stores to the Bureau of Business Research, coöperating with the United States Department of Commerce.

AUGUST CARLOAD MOVEMENT OF POULTRY AND EGGS

Shipments from Texas Stations

Destination*	Cars of Poultry: Live Chickens		Live Turkeys		Dressed Chickens		Dressed Turkeys		Cars of Eggs†	
	Aug. 1939	Aug. 1938	Aug. 1939	Aug. 1938	Aug. 1939	Aug. 1938	Aug. 1939	Aug. 1938	Aug. 1939	Aug. 1938
TOTAL	2	—	—	—	11	19	1	—	29.5	48.3
Intrastate	—	—	—	—	—	—	—	—	14.0	16.5
Interstate	2	—	—	—	11	19	1	—	15.5	31.8
Origin	Receipts at Texas Stations									
TOTAL	—	—	—	—	1	—	—	—	14.5	29.5
Intrastate	—	—	—	—	1	—	—	—	13.5	26.0
Interstate	—	—	—	—	—	—	—	—	1.0	3.5

*The destination above is the first destination as shown by the original waybill. Changes in destination brought about by diversion orders are not shown.

†Powdered eggs and canned frozen eggs are converted to a shell egg equivalent.

Note: These data are furnished the United States Department of Agriculture by railroad officials through agents at all stations which originate and receive carload shipments of poultry and eggs. The data are compiled by the Bureau of Business Research.

TEXAS CHARTERS

	Aug. 1939	Aug. 1938	July 1939
Domestic Corporations—			
Capitalization‖	$1,278	$3,621	$1,411
Number	105	92	104
Classification of new corporations:			
Banking-Finance	—	1	7
Manufacturing	20	20	13
Merchandising	30	24	28
Oil	17	19	23
Public Service	—	1	—
Real Estate-Building	16	7	10
Transportation	4	3	2
All Others	18	16	21
Number capitalized at less than $5,000	51	42	54
Number capitalized at $100,000 or more	2	3	5
Foreign Corporations (Number)	12	16	29

‖In thousands.

Note: Compiled from records of the Secretary of State.

AUGUST CREDIT RATIOS IN TEXAS RETAIL STORES

(Expressed in Per Cent)

	Number of Stores Reporting	Ratio of Credit Sales to Net Sales 1939	Ratio of Credit Sales to Net Sales 1938	Ratio of Collections to Outstandings 1939	Ratio of Collections to Outstandings 1938	Ratio of Credit Salaries to Credit Sales 1939	Ratio of Credit Salaries to Credit Sales 1938
All Stores	68	67.8	67.2	35.8	35.6	1.2	1.4
Stores Grouped by Cities:							
Abilene	3	63.4	62.2	25.0	27.3	2.4	2.3
Amarillo	3	55.6	56.7	42.6	34.8	2.3	2.5
Austin	6	61.6	60.9	41.1	40.0	1.6	1.4
Beaumont	3	70.8	67.1	36.8	38.7	1.6	1.4
Dallas	11	73.9	73.3	36.4	35.6	0.9	1.2
Fort Worth	6	63.7	66.2	33.9	32.6	1.2	1.4
Houston	7	67.4	66.7	37.4	38.5	1.7	1.6
San Antonio	5	66.5	62.7	44.1	43.2	1.0	1.0
Waco	4	69.1	69.0	25.4	26.4	1.5	1.4
All Others	20	57.8	57.4	32.8	33.9	1.9	1.9
Stores Grouped According to Type of Store:							
Department Stores (Annual Volume Over $500,000)	21	66.9	67.0	38.2	37.9	1.1	1.3
Department Stores (Annual Volume Under $500,000)	12	61.7	60.2	29.9	30.8	2.3	2.3
Dry Goods Apparel Stores	5	61.5	60.9	37.5	32.6	2.1	2.9
Women's Specialty Shops	13	70.2	67.1	27.6	28.4	1.1	1.0
Men's Clothing Stores	17	72.9	72.3	38.3	36.8	1.7	1.7
Stores Grouped According to Volume of Net Sales During 1938:							
Over $2,500,000	10	71.3	69.0	37.2	39.5	1.2	1.1
$2,500,000 down to $1,000,000	10	61.4	62.7	43.3	35.5	1.3	1.4
$1,000,000 down to $500,000	9	57.7	62.1	40.4	39.2	1.5	1.7
$500,000 down to $100,000	29	62.2	61.7	33.5	33.8	2.5	2.0
Less than $100,000	10	50.7	55.0	35.1	36.3	4.8	4.9

NOTE: The ratios shown for each year, in the order in which they appear from left to right, are obtained by the following computations: (1) Credit sales divided by net sales. (2) Collections during the month divided by the total accounts unpaid on the first of the month. (3) Salaries of the credit department divided by credit sales.

The data are reported to the Bureau of Business Research by Texas retail stores.

PETROLEUM

Daily Average Production

(In Barrels)

	Aug. 1939	Aug. 1938	July 1939
Coastal Texas*	161,110	218,330	223,950
East Central Texas	64,720	97,790	96,800
East Texas	242,150	440,850	373,000
North Texas	55,860	74,870	88,300
Panhandle	44,550	72,660	69,500
Southwest Texas	153,380	237,520	223,400
West Central Texas	20,680	29,230	32,350
West Texas	164,240	220,100	236,800
STATE	906,690	1,390,950	1,344,100
UNITED STATES	1,782,810	3,361,610	3,545,600
Imports	172,286	138,371	179,964

*Includes Conroe.

NOTE: From American Petroleum Institute.

See accompanying map showing the oil producing districts of Texas.

Gasoline sales as indicated by taxes collected by the State Comptroller were: July, 1939, 118,868,000 gallons; July, 1938, 110,603,000 gallons; June, 1939, 116,307,000 gallons.

BANKING STATISTICS

(In Millions of Dollars)

	August, 1939		August, 1938		July, 1939	
	Dallas District	United States	Dallas District	United States	Dallas District	United States
DEBITS to individual accounts	$719	$28,704	$686	$26,999	$957*	$40,104*
Condition of reporting member banks on—	August 30, 1939		August 31, 1938		August 2, 1939	
ASSETS:						
Loans and investments—total	$512	$22,442	$494	$20,861	$513	$22,244
Loans—total	253	8,209	227	8,270	254	8,166
Commercial, industrial, and agricultural loans	166	3,996	143	3,886	168	3,887
Open Market paper	1	317	2	339	2	313
Loans to brokers and dealers in securities	4	608	2	690	3	655
Other loans for purchasing or carrying securities	13	519	14	577	14	526
Real estate loans	21	1,174	21	1,159	21	1,168
Loans to banks		49	1	112		74
Other loans	48	1,546	44	1,507	46	1,543
Treasury Bills	26	502	†	†	31	473
Treasury Notes	50	2,160	†	†	51	2,132
U. S. Bonds	80	5,903	†	†	78	5,910
Obligations guaranteed by U.S. Gov't	48	2,286	42	1,655	44	2,241
Other securities	55	3,382	53	3,147	55	3,322
Reserve with Federal Reserve Bank	125	9,217	101	6,685	127	8,684
Cash in vault	11	465	10	386	10	424
Balances with domestic banks	251	2,789	210	2,457	240	2,793
Other assets—net	30	1,241	26	1,282	30	1,236
LIABILITIES:						
Demand deposits—adjusted	456	18,096	406	15,388	453	17,462
Time deposits	135	5,247	132	5,210	135	5,243
U.S. Government deposits	30	540	25	411	30	549
Inter-bank deposits:						
Domestic banks	218	7,167	191	5,958	213	7,012
Foreign banks	----	683	----	335	----	623
Borrowings	----	4	----	----	----	9
Other liabilities	4	723	5	705	4	765
CAPITAL ACCOUNT	86	3,724	82	3,664	85	3,718

*Five weeks.

†Not available.

NOTE: From Federal Reserve Board.

AUGUST SHIPMENTS OF LIVE STOCK CONVERTED TO A RAIL-CAR BASIS§

	Cattle		Calves		Hogs		Sheep		Total	
	1939	1938	1939	1938	1939	1938	1939	1938	1939	1938
Total Interstate Plus Fort Worth¶	2,323	3,578	1,459	1,297	566	629	748	1,073	5,096	6,577
Total Intrastate Omitting Fort Worth	344	655	106	72	10	43	215	170	675	940
TOTAL SHIPMENTS	2,667	4,233	1,565	1,369	576	672	963	1,243	5,771	7,517

TEXAS CAR-LOT§ SHIPMENTS OF LIVE STOCK, JANUARY 1 TO SEPTEMBER 1

	Cattle		Calves		Hogs		Sheep		Total	
	1939	1938	1939	1938	1939	1938	1939	1938	1939	1938
Total Interstate Plus Fort Worth¶	33,791	34,910	8,108	6,505	5,950	4,778	6,445	7,823	54,294	54,016
Total Intrastate Omitting Fort Worth	5,406	5,760	1,060	1,040	359	433	765	543	7,590	7,776
TOTAL SHIPMENTS	39,197	40,670	9,168	7,545	6,309	5,211	7,210	8,366	61,844	61,792

§Rail-car Basis: Cattle, 30 head per car; calves, 60; hogs, 80; and sheep, 250.

¶Fort Worth shipments are combined with interstate forwardings in order that the bulk of market disappearance for the month may be shown.

NOTE: These data are furnished the United States Bureau of Agricultural Economics by railway officials through more than 1,500 station agents, representing every live stock shipping point in the State. The data are compiled by the Bureau of Business Research.

BUILDING PERMITS

	Aug. 1939	Aug. 1938	July 1939
Abilene	$ 72,375	$ 44,585	$ 34,195
Amarillo	249,425	155,077	94,936
Austin	558,983	537,432	640,003
Beaumont	149,363	132,538	148,721
Big Spring	45,325	40,610	9,325
Brownsville	21,899*	6,216*	15,095*
Brownwood	80,000*	600	6,500
Corpus Christi	388,190	209,640	221,505
Corsicana	16,070	29,204	16,412
Dallas	1,667,065	1,094,279	788,873
Del Rio	6,120	3,495	18,300
Denison	25,880	39,972	56,260
Denton	15,520	31,740	56,775
El Paso	142,163	200,500	119,484
Fort Worth	382,114	433,052	454,997
Galveston	98,281	250,951	120,559
Gladewater	345	7,510	8,230
Graham	15,460†	10,030†	‡
Harlingen	16,727	35,735	27,880
Houston	1,667,065	1,670,000	1,238,905
Jacksonville	200	14,850	5,925
Kenedy	50	1,350	400
Longview	94,252	9,100*	5,980
Lubbock	182,248	290,752	223,561
Lufkin	45,600	21,628	16,750
Marshall	26,143	18,116	49,934
McAllen	29,480	22,660	14,955
New Braunfels	6,015	16,375	4,885
Palestine	12,313	22,636	23,067
Pampa	31,100	19,475	57,930
Paris	19,565	8,185*	28,460
Plainview	16,990	11,040	13,500
Port Arthur	130,537	101,121	83,879
San Angelo	61,303	21,950	22,100
Sherman	34,345	33,374	50,296
Sweetwater	8,260	22,550	9,700
Tyler	97,025	105,916	40,316
Waco	114,659	173,980	129,528
Wichita Falls	106,220	112,831	67,475
TOTAL	$6,025,977	$5,951,025	$4,925,596

*Does not include public works.
†Not included in total.
‡Not available.
NOTE: Compiled from reports from Texas chambers of commerce to the Bureau of Business Research.

TEXAS COMMERCIAL FAILURES

	Aug.† 1939	Aug. 1938	July* 1939
Number	27	18	23
Liabilities‖	$ 659	$121	$377
Assets‖	$1,121	$127	$166
Average Liabilities per Failure‖	$ 24	$ 7	$ 16

*Revised.
†One firm had assets of $1,000,000 and liabilities of $400,000.
‖In thousands.
NOTE: From Dun and Bradstreet, Inc.

LUMBER

(In Board Feet)

	Aug. 1939	Aug. 1938	July 1939
Southern Pine Mills:			
Average Weekly Production per unit	297,781	299,830	297,371
Average Weekly Shipments per unit	332,345	312,333	304,697
Average Unfilled Orders per Unit, End of Month	773,360	625,960	709,930

NOTE: From Southern Pine Association.

POSTAL RECEIPTS

	Aug. 1939	Aug. 1938	July 1939
Abilene	$ 16,483	$ 15,875	$ 16,611
Amarillo	32,198	30,885	30,170
Austin	67,304	68,582	59,701
Beaumont	28,169	24,838	24,003
Big Spring	5,358	5,776	6,516
Brownsville	6,025	4,995	5,579
Brownwood	5,628	5,618	5,820
Corpus Christi	26,512	24,002	25,610
Corsicana	4,871	5,007	5,668
Dallas	336,145	337,833	307,642
Del Rio	3,894	4,031	4,089
Denison	5,539	4,839	5,219
Denton	5,255	5,798	6,315
El Paso	41,510	45,161	45,223
Fort Worth	133,832	131,798	118,492
Galveston	30,148	29,775	29,030
Gladewater	2,510	2,916	2,890
Graham	1,927	2,517	2,370
Harlingen	5,351	5,481	5,617
Houston	241,289	220,617	223,532
Jacksonville	2,815	2,645	3,209
Kenedy	1,221	1,274	1,252
Kilgore	4,957	5,103	6,298
Longview	8,650	10,560	8,635
Lubbock	16,421	16,173	15,402
Lufkin	4,334	4,041	4,484
McAllen	3,596	3,525	4,014
Marshall	5,530	5,511	5,975
Palestine	5,964	8,220	4,446
Pampa	5,705	5,484	6,505
Paris	6,047	4,493	4,804
Plainview	3,639	3,842	3,838
Port Arthur	12,809	12,913	12,657
San Angelo	11,572	10,550	11,098
San Antonio	117,237	115,882	110,632
San Benito	2,582	2,542	2,723
Sherman	6,978	6,491	7,316
Snyder	1,321	1,295	1,339
Sweetwater	4,090	4,926	4,844
Tyler	13,993	15,793	14,649
Waco	29,986	33,323	29,684
Wichita Falls	22,014	25,827	22,956
TOTAL	$1,291,409	$1,276,757	$1,210,559

NOTE: Compiled from reports from Texas chambers of commerce to the Bureau of Business Research.

CONSUMPTION OF ELECTRIC POWER IN TEXAS

Power Consumed

(In Thousands of K.W.H.)

	Aug. 1939	Aug. 1938	July 1939	Percentage Change: Aug. 1939 from Aug. 1938	Percentage Change: Aug. 1939 from July 1939
Commercial	63,696	57,997	61,048	+ 9.8	+ 4.3
Industrial	118,018	106,538	120,424	+10.8	− 2.0
Residential	41,754	37,808	40,713	+10.4	+ 2.6
All Other	32,934	31,221	31,708	+ 5.5	+ 3.9
TOTAL	256,402	233,564	253,893	+ 9.8	+ 1.0

NOTE: Prepared from reports from 17 electric power companies to the Bureau of Business Research.

LIST OF PUBLICATIONS

Printed Bulletins

The Basis of the Commercial and Industrial Development of Texas, by Elmer H. Johnson. Price $2.00.

Natural Regions of Texas, by Elmer H. Johnson. Price $1.00.

Directory of Texas Manufacturers, by F. A. Buechel and Clara H. Lewis. Price $2.00.

Eight Years of Livestock Shipments in Texas, by F. A. Buechel. Price $1.00.

A System of Accounting Procedure for Livestack Ranches, by F. W. Woodbridge. Price $1.50.

Methods for the Study of Retail Relationships, by William J. Reilly. Price $1.00.

What Place Has the Advertising Agency in Market Research?, by William J. Reilly. Price $1.00.

Mimeographed Bulletins

Studies of Employment Problems in Texas, by A. B. Cox. Price $1.00.

Manufacture of Dairy Products in Texas, by F. A. Buechel and Elmer H. Johnson. Price $1.00.

Farm Cash Income in Texas, 1927–1938, by F. A. Buechel and Elmer H. Johnson. Price $1.00.

Monthly Publications

Texas Business Review. Price $1.00 per year.

New Passenger Car Registrations in Texas. Price $2.00 per year.

New Commercial Regisetrations in Texas. Price $1.50 per year.

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